



Brownfield Redevelopment Program

Missouri Department of Economic Development
Missouri Department of Natural Resources

Application Checklist

for Remediation tax credits; Brownfield tax benefits; Loan Guarantee;
Direct Loan; and/or Grant Funding

NOTE: The owner may submit a loan application from a bank, SBA (either 7a or 504 Programs), or similar loan application, however, ***ALL*** the information below must be included. It would be preferable to provide the information in the order below. Refer to the Brownfield Program Guidelines for definitions and rules. There are no deadlines for the submission of an application. Applications may be submitted to the Missouri Department of Economic Development, Incentives Section, P.O. Box 118, Jefferson City, MO 65102. Please submit 2 copies.

Section A: Program Eligibility: Submit the following and Exhibit A and B to determine if the subject property is an “Eligible Project”: Further information will be required (as specified below), depending on the type of financial assistance requested.

____ **1. Eligible Project Description:** Briefly describe the proposed eligible project, including the name of the past owner(s) (and operators, if other than the owner), and the nature of the use(s) of the abandoned property by the prior owner(s) for the previous 5 years. Provide information on any pending or completed lawsuits against the former owner(s) as it relates to the contamination of the abandoned property.

____ **2. Abandoned or Underutilized:** Provide documentation that the property has been vacant for the previous 3 years or that less than 35% of the space is being utilized. (See guidelines and definitions for more detail.)

_____**3. Current Owner:** Provide the name of the current owner of the property, the date which the operations ceased and the facility was completely vacated (must be at least 3 years ago) or documentation that the property qualifies as “underutilized.” Provide a certified copy of the warranty deed.

_____**4. Prospective Owner:** Provide the legal name of the entity that proposes to purchase the property; federal identification number; contact person and title; address, city, state, zip, telephone number and fax number of contact person. Indicate the legal organization of the prospective owner (C or S Corporation, LLC, state of incorporation, year established, headquarters address if different from contact person’s address.) Indicate the status of a sales contract for the abandoned or underutilized property, the proposed sales price, and the estimated date of the sale. Provide a copy of the proposed or completed sales contract, if available.

_____**5. Location of the Property:** Indicate the street address of the abandoned or underutilized property. Provide a map (showing local streets) and a legal description to identifying the eligible project site. Indicate the square footage of the abandoned or underutilized property.

_____**6. Eligible Business:** Indicate the intended uses of the abandoned or underutilized property. (Exhibit B should be the completed by each proposed business to occupy the property.) Indicate the primary SIC code of the operator or committed lessees.

_____**7. Stockholders of Owner:** Provide a listing of all stockholders (or members of an LLC) of the prospective owner with their respective percentage of ownership. If any of the stockholders/members are NOT a US citizen, or are presently under indictment, parole, or probation, or have been convicted of any criminal offense other than a minor motor vehicle violation, it must be noted. Failure to do so could result in rejection of assistance, and if approved, repayment of all assistance plus penalties, and possible criminal prosecution. (See Exhibit A.)

_____**8. Delinquent Taxes:** State whether the owner, operator, or lessee has any delinquent state, federal, or local taxes, and if so, what actions are being taken to correct the problem. Indicate whether any delinquent taxes are under a payment agreement with a taxing authority.

_____**9. Lawsuits:** Provide information on any pending or completed lawsuits against the prospective owner or lessee, or major stockholders of the owner or lessees that may affect the viability of the business, including the names of the parties, nature of the complaint, status of the lawsuit, settlements completed, verdicts rendered, amount and terms of disposition or settlement, etc.

_____**10. Voluntary Cleanup Program (VCP):** Provide documentation of acceptance into the Voluntary Cleanup Program at the Department of Natural Resources. An applicant may also submit a copy of the application sent to VCP.

Section B: Due Diligence 50% Matching Grant: *Submit the following if the governmental agency requests assistance in funding the due diligence of an eligible project: (Maximum grant funding- \$100,000, to be matched 1-1.) Section A must have been submitted and declared an eligible project by DED before Section B maybe submitted for review. A due diligence grant may only be provided for publicly owned properties.*

_____1. Provide a letter from the chief executive of the governmental agency indicating their

willingness to participate in the due diligence of the proposed project, as per the Brownfield Program Guidelines (section K5). Indicate whether the governmental agency must procure such services from a public bid, or whether such services will be procured in a negotiated transaction.

_____2. Provide a letter from the source of the matching funds indicating their commitment to contribute the match to the governmental agency for the due diligence.

_____3. Indicate the projected total cost, proposed scope of work (feasibility study, environmental review, and/or cost estimate of the proposed project), and the proposed starting and ending date of such work.

SECTION C: Request for Remediation Tax Credits: *Submit the following if Remediation Tax Credits are requested for an eligible project.*

_____1. **Estimates:** Provide three estimates for the cost of remediation. Three bids should be submitted and the chosen estimate should be noted.

_____2. **Lessees** (if applicable): Provide a list of committed or prospective lessees and the type of business of each. Indicate the lease term, lease rate, and square footage used for each. Describe the status of lease execution and a contact person (with telephone number) of prospective lessees.

_____3. **Eligible Project Uses of Funds:** Provide a description of the proposed use of funds for the eligible project (including the sources of cost estimates) as certified by a licensed architect or a professional engineer. Separately identify the capital and ongoing operating costs to be incurred related to the remediation of hazardous substances at the proposed project.

_____4. **Eligible Project Sources of Funds:** Provide a detailed description (name, term, rate, amount and collateral requirements) and proof of all proposed or approved sources of financing for the eligible project, and the status of approval for each source. Justify the amount of Remediation tax credits requested, based on the limitations and requirements set forth in the Program Guidelines, Sections D and E. Indicate the approved amount or the likelihood of use of other State and Federal development incentives. Also, please supply documentation from entities that are guarantying the financing for this project.

____ **5. Least Amount Necessary:** Document that the Remediation tax credits is the “least amount necessary to cause the project to occur.” Refer to defined term #13 on page 9.

____ **6. Year-End and Current Financial Statements:** Provide a copy of year-end financial statements (balance sheet, income statement) of the borrower (and parent companies or subsidiaries) for the 2 prior fiscal years, and current (less than 60 days old) interim financial statements of the current fiscal year. Provide tax returns for the past 2 years if the financial statements are unaudited.

____ **7. Projected financial statements:** Provide 2 years of projected financial statements, including monthly cash flow statements and a pro forma. Include a detailed justification of the projections and note any significant variation compared to past financial statements. The projections must include the proposed sources of financing and uses of funds as identified herein.

____ **8. Existing Loans/Leases:** For each existing loan or capital lease to the borrower, indicate the name of the lender, current balance, original amount and date, maturity, amortization, interest rate, monthly payment, collateral securing the loan, and status (current or delinquent). For lines of credit, indicate the maximum terms of drawdowns, such as 80% of receivables and 50% of inventory.

____ **9. Owner Compensation:** Indicate the current and proposed amount of compensation (salaries, dividends, fees, bonuses or other withdrawals not including reimbursement of business expenses) to stockholders/members of the borrower and relatives.

SECTION D: Request for Brownfield Tax Benefits: *Submit the following if Brownfield Tax Benefits are requested for an eligible project. Section A must have previously been approved.*

____ **1. Lessees** (if applicable): Provide a list of committed or prospective lessees and the type of business of each. Indicate the lease term, lease rate, and square footage used for each. Describe the status of lease execution and a contact person (with telephone number) of prospective lessees.

____ **2. Brownfield Tax Benefits:** Also, indicate the number of years (between 1-10) requested for the Brownfield tax benefits, and a justification of such.

____ **3. Local Government Participation:** Documentation or a copy of the ordinance showing that the local government is provided real property tax abatement for at least 50% for a minimum of 10 years or tax increment financing (TIF).

SECTION E: Requests for Loan Guarantee or Direct Loan Funds by an Owner:

(Note: Some of these questions may not be relevant if the owner will not conduct business operations at the abandoned or underutilized property.) Section A must have been approved prior to the submission of Section D. Section C must be submitted at the same time as Section D.

____ **1. Appraisal:** Provide an appraisal (based on projected as-completed value) of the proposed project by a certified appraiser. An appraisal is only necessary for loans or guarantees.

____ **2. Amount of Funding Request:** Indicate the amount of direct loan or guarantee funds requested by the owner for eligible project costs. The amount requested must correspond with the sources and uses in Section C (3,4). (If applying for a Guaranteed Loan, the Lender must complete Exhibit C. The owner must have been rejected from at least 3 sources of financing for the full amount of the eligible project to qualify for a loan guarantee or direct loan, and generally, the owner must have been rejected for guaranteed loans before the consideration for a direct loan is made.). Indicate the date of rejections for loans and a copy of the lender's written response. If the response was not written, indicate the name and telephone number of the lender's contact person.

____ **3. Ownership:** For each stockholder (or member of an LLC) of the borrower that has more than 25% of stock ownership, provide a personal financial statement (using SBA or Robert Morris Associates format) that is less than 90 days current, plus their social security number, current address, and date of birth. (Note: A credit check will likely be done on the major stockholders/members of the owner, and the submission herein provides permission for DED to request a credit check of all stockholders/members.) If any of the stockholders/members have filed bankruptcy within the past 10 years, it must be so noted with information regarding any resolution or other actions thereof.

____ **4. Year-End and Current Financial Statements:** Provide a copy of year-end financial statements (balance sheet, income statement) of the borrower (and parent companies or subsidiaries) for the 2 prior fiscal years, and current (less than 60 days old) interim financial statements of the current fiscal year. Provide tax returns for the past 2 years if the financial statements are unaudited.

____ **5. Projected financial statements:** Provide 2 years of projected financial statements, including monthly cash flow statements. Include a detailed justification of the projections and note any significant variation compared to past financial statements. The projections must include the proposed sources of financing and uses of funds as identified herein.

____ **6. Existing Loans/Leases:** For each existing loan or capital lease to the borrower, indicate the name of the lender, current balance, original amount and date, maturity, amortization, interest rate, monthly payment, collateral securing the loan, and status (current or delinquent). For lines of credit, indicate the maximum terms of drawdowns, such as 80% of receivables and 50% of inventory.

____**7. References:** Provide the names of at least 4 business references and their telephone numbers and mailing addresses. Indicate the primary bank of the borrower, and the loan officer responsible.

____**8. Violation of Other Agreements:** State whether any proposed leases or loans would violate any existing agreements or loans, or if so, what actions are necessary to obtain permission.

____**9. Affiliates:** Names of affiliated (through common ownership or management control) or subsidiary businesses of the borrower. Provide the past 2 fiscal year-end financial statements and a current (less than 90 days) financial statement for each of these firms.

____**10. Impacted Missouri Competitors:** Indicate any known Missouri companies that directly compete with the operator or lessees which will be adversely impacted by this eligible project.

____**11. Owner Compensation:** Indicate the current and proposed amount of compensation (salaries, dividends, fees, bonuses or other withdrawals not including reimbursement of business expenses) to stockholders/members of the borrower and relatives.

____**12. Management:** Provide the names of the borrower's management, their titles, areas of responsibilities, and a resume of key management. Indicate which, if any, key management positions have not been filled, or will be outsourced to a professional firm.

____**13. History/Competition:** Describe the products/services currently sold by the borrower, and if new products or services are proposed for this eligible project, also provide a description. Indicate the primary competitors, their percentage of the market, and the competitive advantages and disadvantages of the borrower.

____**14. Receivables/Payables:** Aging of accounts receivable and accounts payable (amount current, 30-60 days, 60-90 days, and over 90 days). It must be noted whether any accounts payable are under litigation for payment.

____**15. Sales:** Listing of 5 largest (in sales volume) current customers of the borrower, with the amount of sales in the past 12 months. Also, state any significant contracts or purchase orders recently obtained (and the amount and terms), and, a list of significant existing customers that will be lost in the next 12 months.

____**16. Least Amount Necessary:** Document that the loan or loan guarantee is the "least amount necessary to cause the project to occur." Refer to defined term #13 on page 9.

SECTION F: Requests for Grant Funds for Public Capital

Improvements: *(Note: Grant funds may only be provided to a governmental agency for public capital improvements. This section must be submitted in conjunction with a governmental agency that will own the improvements.)*

____ **1. Uses of Funds:** The governmental agency that would be the recipient of grant funds must provide a letter endorsing this request. Specify the proposed uses of funds for public capital improvements related to the eligible project. Describe the need for each item and its relationship to the completion of the eligible project and a cost estimate for each item, as certified by a professional engineer. If any proposed item requires an action of a state or local agency, indicate the status of such action.

____ **2. Sources of Funds:** Identify the proposed sources (and amount thereof) of funds for all public capital improvements related to the eligible project, and the status of each source (except for the grant funds requested in this application). The governmental agency that is responsible for each item must provide information regarding its inability to provide complete funding for this request.

SECTION G: Exhibits:

____ **1. Exhibit A: Certification of Prospective Owner**

____ **2. Exhibit B: Projected State Economic Benefit**

____ **3. Exhibit C: Lender's Request for a Loan Guarantee**

____ **4. Exhibit D: DNR Voluntary Cleanup Program**

____ **5. Exhibit E: Applicant's Certification of Program Guidelines and Statutes**

____ **6. Exhibit F: Certification of Alien Employment**